

BOND FUND GRANTS

BIDDING AND CONTRACTING GUIDELINES

BIDDING YOUR PROJECT

Purpose: To ensure that a competitive bidding (at least three bidders) takes place AND that Minority/Women's Business Enterprises are encouraged to bid.

A. THE BID PACKAGE (Instructions to Bidders)

1. The Bid Package that you prepare for your project should include a Notification to Bidders notice regarding your project. Your architect will be the person who is familiar with preparing a bid package for you. There are also a number of web sites that you can explore if your project is a small one and you will not be using an architect.
 - Your Bid Package should clearly state the terms and conditions for bidding on your project including that the "Notification to Bidders" and any forms which you are including be returned with each bid. If they are not, the bid should be rejected.

B. ADVERTISING YOUR PROJECT

1. You must run a notice in the Public Notices section of a newspaper with statewide circulation (usually The Hartford Courant). The ad must end with the following statement:

"An Affirmative Action/Equal Opportunity Employer. Minority/Women's business Enterprises are encouraged to apply."

The Commission on Human Rights and Opportunities (CHRO) recommends that when you place your advertisement in the newspaper that you include the following language:

The contractor who is selected to perform this State project must comply with C.G.S. 4a-60, 4a-60a, 4a-60g, and 46a-68b through 46a-68f, inclusive. An Affirmative Action Plan must be filed with and approved by the Commission on Human Rights and Opportunities prior to the commencement of construction.

The contractor shall be required to make best good faith efforts to place not less than twenty-five (25%) percent of the subcontracts to be awarded by the general contractor with eligible contractors holding current certification from the Connecticut Department of Administrative Services ("DAS") under the provisions of Connecticut General Statutes Section 4a-60g. (25% of the work with DAS certified Small and Minority owned business(s) and of that work, 25% subcontracted with DAS certified Minority, Women and/or Disabled owned businesses.)

If you should have any questions on the above language please contact Alvin Bingham at CHRO at 860 541-4709, email: Alvin.bingham@ct.gov

2. You may substitute one of the following for the newspaper:
 - Dodge Reports – now part of McGraw-Hill Dodge (800 393-6343, http://construction.com/DodgeLeadsByState/?target=PMC_Brand&utm_term=dodge%20reports&utm_campaign=PMC_Brand&utm_source=google&utm_medium=cpc&gclid=COH2q5eqtccCFcQUHwodiU8Nrg)
 - Connecticut Bid Network website: <http://www.connecticutbids.com>

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Bids may also be solicited by telephone or letter, however, a public notices is still required and the notice must run for at least two (2) days.

C. MINORITY/WOMEN CONTRACTORS

1. Your agency needs to provide good faith efforts to opportunities to minority/women's businesses enterprises, in that effort, please note the following Connecticut General Statutes:
 - a) In accordance with administrative regulations issued by the Connecticut Commission on Human Rights and Opportunities, the Department of Mental Health and Addiction Services' Bond Fund grantees and their general contractors are required to implement Connecticut General Statutes (CGS) Title 4a, Chapter 58, Sec. 4a-60a – 4-60g ... "to make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on ... projects."
2. **Federal Financing (HUD, CDBG, etc.)**
 - a. If your project is funded from multiple sources such that includes Federal funding, please note that Federal funding carries its own Minority/Women's contracting requirements. You must comply with those requirements. The granting sources will generally provide those instructions to you.
 - b. Minority Set-Asides - You may wish to designate a percentage of the work or set aside a certain trade for Minority/Women contractors. Consult your architect or call the Connecticut Department of Administrative Services for assistance, J. Carlos Velez, Program Director, (860) 713-5236.
<http://das.ct.gov/cr1.aspx?page=34>

D. BID BONDS/CERTIFIED CHECKS

1. Municipalities
 - a. Municipalities must require bid bonds (5% minimum) for contracts exceeding \$50,000 or subcontracts exceeding \$50,000 (C.G.S. 49-41).
 - b. Municipalities must require a Performance Bond for contracts exceeding \$25,000 or a subcontract exceeding \$50,000 (C.G.S. 49-41).
 - c. Municipalities must require a Labor & Material Payment Bond for contracts exceeding \$100,000.
 - d. If a construction manager is employed, each subcontract exceeding \$100,000 shall be bonded or a certified check required.
2. Private Non-Profit Projects
 - a. Where the general contract exceeds \$100,000, the grantee shall require bid bonds or certified checks from the general contractor. If a construction manager is employed, each subcontract exceeding \$100,000 shall be bonded or a certified check required.
 - b. When the contract is less than \$100,000, the grantee shall negotiate a payment schedule, which, after an initial payment, will ensure that the grantee has fixed assets equal to subsequent payments.
 - c. It is important to secure lien waivers if subcontractors are employed. Consult your architect.
 - d. Written notification to DMHAS must be provided in order to meet these requirements for contracts less than \$100,000.

*There are a number of web sites to check out if you do not understand what bid bonds are. It is the grantees responsibility to be cognizant of bids bonds.
<http://acpatl.com/what-is-the-difference-between-a-bid-bond-a-performance-bond-and-a-payment-bond/>

E. INSURANCE

1. Contractor's Certificate of Insurance is required. The grantee is responsible for ensuring that the levels are adequate.
2. Builder's Risk Insurance should be obtained either through the general contractor or grantee's agent.
3. Your **Liability Insurance** should be checked, especially if clients will be receiving services at the facility while construction is taking place. The grantee should ensure the existing coverage is adequate. If not, secure a rider.

F. WAGE RATES

1. Municipal grantees shall pay the prevailing wage rates on projects: (a) where the total cost of all work to be performed by all contractors and subcontractors in connection with **new construction is \$400,000 or more; and (b) where the total cost of all contractors and subcontractors for remodeling, refurbishing, rehabilitation or repair is \$100,000 or more (C.G.S. 31-53)**. The State Department of Labor, Wage Information (860 263-6285 or 263-6790) can assist you in determining the prevailing wage rate. <http://www.ctdol.state.ct.us/wgwkstnd/prevailing-rates/PrevailingWageGuide/index.htm>
2. Private non-profit agencies do not have to pay prevailing wage rates.
3. Where federal funds are involved Davis-Bacon Act rates apply. Consult funding source.

G. PREQUALIFYING BIDDERS

It is permissible to use AIA form A305, **Contractor's Qualification Statement**, as a prerequisite to bidding, **PROVIDED** prequalification does not prevent minority/women owned firms from bidding. Consult your architect.

H. CONSTRUCTION MANAGERS IN PLACE OF GENERAL CONTRACTORS

You may employ a construction manager, but, if this is done, **each subcontract** must be bid employing the same procedures outlined above with a minimum of three bids for each subcontractor, advertising for each and compliance with minority regulations.

I. DOCUMENTS TO BE FORWARDED TO DMHAS AT COMPLETION OF BIDDING

1. A list of the bidders on your project and a copy of your agreement with the selected lowest qualified bidder. Explain how he/she was selected and (if applicable) the selection process for the general contractor. You must retain copies of each bid on file for review by the Central Contracts Unit at the Department of Mental Health and Addiction Services (CCU/DMHAS) and their auditors.
2. Signed copies of your Notification to Bidders.
3. Copies of the bid bonds/certified checks from the three lowest bidders.
4. Copies of advertisements soliciting bids or certificates from newspapers.
5. Copy of Award Letter to lowest qualified Bidder

J. SELECTING THE GENERAL CONTRACTOR

1. Lowest Responsible and Qualified Bidder
 - a. Competitive Bidding

The grantee will give full opportunity for free, open and competitive bidding for each contract to be let by it calling for installation, construction, reconstruction, demolition, removal, site improvement work, or other similar work, as a part of the program, or for use on the program; will give such publicity to its advertisements or calls for bids for each such contract and will provide adequate competition; and the award of each such contract, when made, will be made by it as soon as practicable to the lowest responsible and qualified bidder. As used in this section "lowest responsible and qualified bidder" means the bidder whose bid is the lowest of those bidders possessing the skill, ability and integrity necessary to faithfully perform the work.

Should the grantee reject the lowest bidder as not responsible and/or not qualified, the grantee shall immediately notify CCU/DMHAS in writing of the reasons for the rejection and request the Central Contracts Unit at the Department of Mental Health and Addiction Services' concurrence. The Commissioner of CCU/DMHAS shall at his/her discretion either approve or deny the grantee's rejection. By acceptance of this contract, the grantee agrees to hold CCU/DMHAS harmless from any and all claims by rejected bidders.

- b. In the event that the grantee does not believe the lowest bidder, as defined in (a) above, to be responsible and qualified, the grantee will notify CCU/DMHAS in requesting the Department's concurrence in its choice before executing the general contract.
- c. In the event that there are less than three bidders, the grantee shall inform the Department and request instructions.

2. Performance, Labor and Material Payment Bonds

a. Municipal Projects

Municipal Projects where the general contract exceeds \$25,000 or a subcontract exceeds \$50,000 must require bonds (CGS 49-41).

b. Private Non-Profits

Private non-profits must require bonds where construction/renovation contracts exceed \$100,000.

K. DOCUMENTS TO BE FORWARDED TO CCU/DMHAS ONCE THE GENERAL CONTRACT HAS BEEN EXECUTED

- 1. One copy of executed contract and grantee's authority to execute (Board Resolution, minutes, etc.)
- 2. Copy of Performance, Labor and Material Payment Bond and Power of Attorney for Surety (unless under \$100,000);
- 3. Certificate of Insurance from general contractor covering liability and workman's compensation.

L. GRANTEE RESPONSIBILITY AND SAFEGUARDS

The Department does not review any of the documents submitted to it for technical correctness, whether they be legal or architectural. It is the responsibility of the grantee, its architect and its attorney to assure the documents are correct and where necessary protect the grantee and the State of Connecticut from any and all claims. Your attention is called to the final page of the Department's Contract Request (contract with grantee) which states:

The grantee will comply with all relevant Local, State and Federal regulations, and comply with all standard contracting practices to safeguard the interests of the grantee and the State including, but not limited to, contractor performance security, insurance, permits and inspections and the provisions of the funding restrictions to this contract.

M. MISCELLANEOUS

1. Change Orders

The Department does not approve or disapprove change orders. If the change order is within the scope of the work approved by the Bond Commission (see agenda item in your CCU/DMHAS Contract) and funding is available (additional CCU/DMHAS funds cannot be requested to allow for change orders) the grantee may approve change orders. **Change orders can increase the cost of your project, please review them carefully.** Your contract with CCU/DMHAS does provide for additional funding to you should your project costs exceed your CCU/DMHAS contractual amount.

2. Site Signs

Where the State grant is \$150,000 or more, the grantee shall erect a suitable sign attributing funding to State of Connecticut, Dannel P. Malloy, Governor, Department of Mental Health and Addiction Services, Miriam Delphin-Rittmon, Ph. D., Commissioner. (See sample on next page)

3.

Megan Sopelak Program Manager Department of Mental Health and Addiction Services, Central Contracts Unit 410 Capitol Avenue 4 th Floor Hartford, CT 06134 Tel: (860) 418-6838 email: megan.sopelak@ct.gov	Tercolia Troxler Associate Accountant Department of Mental Health and Addiction Services, Central Contracts Unit 410 Capitol Avenue 4 th Floor Hartford, CT 06134 Tel: (860) 418-6620 email:tercolia.troxler@ct.gov
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CCU/DMHAS bonding grants contact staff:



The Community Renewal Team, Inc.

THANKS

THE STATE OF CONNECTICUT

DEPARTMENT OF MENTAL HEALTH AND
ADDICTION SERVICES
COMMISSIONER
MIRIAM DELPHIN-RITTMON, PH. D.

GOVERNOR
STATE OF CONNECTICUT
DANNEL P. MALLOY

ROOFING REPAIRS – CHILD DAY CARE
CENTERS

THE COMMUNITY RENEWAL TEAM
555 WINDSOR ST. HARTFORD, CT 06120

PROJECT NO. **6100-01-0150**

Contractor: Allied Restoration Corporation